

FOR: HEALTH CARE FINANCING ADMINISTRATION

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CO

April 1, 2003

5. TYPE OF PLAN MATERIAL (Check One):

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT *(Separate Transmittal for each amendment)*

b. FFY	2003-04	\$	0
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Pages 6, 6-Cont.

Changes in Medicaid Nursing Facility Reimbursement related to Colorado Senate Bill 03-173, and deletion of obsolete material.

As per Governor's letter dated Dec 14, 1999

Attn: Trish Bohm

FOR REGIONAL OFFICE USE ONLY

TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

ATTACHMENT 4.19-D
Page 6

State of Colorado

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATE - NURSING FACILITY CARE

- B. Effective January 1, 1995, the administrative incentive allowance shall be calculated at twelve and one-half percent (12.5%) for the Class I and Class V Nursing Facility vendors for the difference between the ceiling and provider's costs for administration, property, and room and board cost per patient day that is less than the maximum reasonable cost. The administrative incentive allowance shall be calculated at twelve and one-half percent (12.5%) of the difference between the facility's audited cost and the maximum reasonable cost, not to exceed twelve percent (12%) of the maximum reasonable cost. No administrative incentive allowance shall be included in the reimbursement to Class I and V facilities for services rendered from April 1, 2003, through June 30, 2003.

Class II and the privately owned Class IV Nursing Facility providers shall continue to receive the incentive allowance for administration, property and room and board cost per patient day. The allowance is calculated at twenty-five percent (25%) of the difference between the audited costs and the maximum reasonable cost, not to exceed twelve percent (12%) of the maximum reasonable cost.

Maximum Reasonable Cost
minus

Audited cost per patient day for administration, property, and room and board.
Difference times 12.5% (25% for Class II and privately owned Class IV).

No incentive allowance may be earned on health care services or food costs.

TRANSMITTAL NO. _____
Date Approved 1-23-04
Effective Date 4-1-03
Supersedes Transmittal _____